RECENT IMPORTANT DECISIONS

BANKRUPTCY—CONCEALMENT OF PROPERTY—BANKRUPTCY SCHEDULES INADMISSIBLE AGAINST BANKRUPT ON TRIAL FOR CONCEALING PROPERTY.—One, J., an involuntary bankrupt, was indicted and convicted for concealing from his trustee in bankruptcy property belonging to his estate. In the trial court the government offered in evidence the schedule of assets and liabilities that J. filed with his trustee. This was admitted. J. excepted to the ruling of the court on the ground that the schedule was a pleading and therefore inadmissible under U. S. Comp. Stat. 1901, p. 661: "No pleading of a party * * * obtained from a party or witness by means of a judicial proceeding in this or any foreign country shall be given in evidence, or in any manner used against him or his property or estate, in any court of the United States in any criminal proceeding," etc. *Held,* there was error in admitting the schedule in evidence, for such schedule, being required by law and being a regular step in the written proceedings preliminary to proof of facts, is a pleading within the statute. *Johnson* v. *United States* (1908), — C. C. A. 1st Cir. —, 163 Fed. 30.

In this case the court declares that there is a distinction between a schedule filed in an involuntary proceeding as in the case at bar, and a petition in a voluntary proceeding, but does not attempt to distinguish them. According to the court, the offense contemplated by § 29b, of the Bankruptcy Act of July 1, 1898, is the continued concealment of property from the trustee during the whole course of the bankruptcy proceedings and beyond —not a misrepresentation at a given time and place. This theory is seemingly in conflict with the previous cases of *United States* v. *Clark,* 1 Low. 402, Fed. Cases 14, 806, and *United States* v. *Smith,* Fed. Cases 16, 339. The crime of fraudulently omitting property or effects from a bankrupt's schedule is complete when the false schedule is filed. *United States* v. *Clark.* In order to obtain a conviction of the bankrupt for concealing assets from the assignee it is not necessary to prove that a demand was made of the bankrupt on the part of the assignee. *United States* v. *Smith,* supra.

BANKRUPTCY—JURISDICTION—RECOVERING EXCESSIVE COUNSEL FEES.—One W., in contemplation of filing a petition in bankruptcy, paid to a law firm in Hot Springs, Arkansas, money and certificates of deposit amounting to $9,795 for legal services thereafter to be rendered. W. was adjudged a bankrupt in Colorado, and his trustee, within four months of the date of the transaction, filed a petition asking the referee to re-examine the transaction, on the grounds that it was unreasonable. Service was made by publication. At the re-examination $800 was adjudged to be a reasonable fee, and it was ordered that the trustee bring suit to recover the excess. In an action in the United States District Court the defense was made (1) that the members of the firm were citizens of Arkansas and had not submitted to the jurisdiction of the court; (2) that transactions wholly within the State of Arkansas were